



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #635

### **Minor Policy and Technical Changes -- Base Budget Reductions (PSC -- Departmentwide)**

[LFB 2003-05 Budget Summary: Page 361, #2]

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#### **CURRENT LAW**

The amounts appropriated to the Public Service Commission (PSC) under its utility regulation appropriation and its holding company regulation appropriation represent 90% of the amounts derived from direct and remainder assessments of public utilities, power districts, sewage systems, municipal utilities, and public service corporations to support the agency's regulatory costs. The PSC credits the remaining 10% of the total amounts assessed to the general fund as GPR-Earned.

#### **GOVERNOR**

Reduce base level expenditure authority in the PSC's utility regulation appropriation by \$472,100 PR in 2004-05. Include GPR-Earned estimates associated with PSC's regulation of public utilities and holding companies of \$1,710,900 in 2003-04 and \$1,741,100 in 2004-05.

#### **MODIFICATION**

Decrease projected GPR-Earned collections for the PSC by \$52,500 in 2004-05.

**Explanation:** The GPR-Earned amounts contained in the bill for 2004-05 do not recognize the impact of the Governor's recommended \$472,100 base level expenditure reduction in that fiscal year. This base level amount would have required a total

assessment of \$524,600 in 2004-05 in order for 90% (\$472,100) to be credited to the utility regulation appropriation. Since this assessment will no longer be required, the remaining 10% of the assessment amount (\$52,500) still included in the agency's 2004-05 GPR-Earned estimates should also be deleted.

<u>Modification</u>	<u>GPR</u>
2003-05 REVENUE (Change to Bill)	- \$52,500

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